

**GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA**

UNSTARRED QUESTION NO:2333
ANSWERED ON:03.12.2009
EXPLORATION OF OIL BY ONGC VIDESH LTD. IN IRAN
Dhruvanarayana Shri R.

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

- (a) whether a consortium led by ONGC Videsh Ltd. has abandoned its plan for exploration of oil from the Farsi block in Iran due to high sulphur content in the crude and hence making commercial production unviable;
- (b) if so, the details thereof;
- (c) whether the Indian consortium is considering an option by retaining the block for possible gas production;
- (d) if so, whether the Farsi block has been assessed to have adequate gas reserves to justify the investment by the consortium; and
- (e) if so, the details thereof?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI JITIN PRASADA)

(a) & (b): No Madam. High Sulphur Content is not the reason for the Oil Field to be non commercial.

ONGC Videsh Limited (OVL) led consortia consisting of Indian Oil Corporation (IOC) and Oil India Limited (OIL) has submitted a Feasibility Report for the oil discovery based on techno-economic considerations to National Iranian Oil Company (NIOC) on 26th November,2008.

(c), (d) & (e): Commerciality of the gas find of Fazad-B gas field of Farsi Block established by the OVL led consortia has been accepted by NIOC. The Gas Initial In-Place (GIIP) is estimated to be 12.5 Trillion Cubic Feet (TCF). Master Development Plan (MDP) to develop the field is under finalization in consultation with NIOC. Preliminary estimated Investment as per MDP would be about USD 5.5 billion for sales gas option wherein Gas production is contemplated for a period of 30 year